

State/Territory: Virgin Islands

The Department of Health, which is the Medicaid Agency, sets per diem rates for nursing facilities using Medicare reimbursement principles described at 42 CFR 413.

Reporting Requirements

Nursing facilities are required to submit, on an annual basis, cost and patient data to the Department of Health within 150 days after the rate year. For ratesetting purposes, the fiscal year begins January 1 and ends December 31. Facilities must adhere to the reporting requirements of Title XVIII of the Social Security Act referenced in the Medicare Provider Reimbursement Manual (RPM 15-1).

Allowable Costs

Allowable costs are Nursing facility expenditures considered reasonable and covering all necessary and proper patient care, described in RPM 15-1. Reasonable costs are those that do not exceed that which a prudent buyer would pay for a particular item or service. Costs above such an amount are non allowable.

Ratesetting

Interim Rate

New Facilities

For the first year of operation, the nursing facility will receive an interim per diem rate determined by projecting facility costs and patient days. Such projected costs include a component for capital costs which is made up of depreciation and interest costs. The total projected costs are divided by the number of patient days to come up with a per diem rate.

Existing Facilities

For facilities that have historical cost available, the latest available Medicare audited cost and patient data will be used to determine projected facility costs and patient days. Medicare rates are adjusted to reflect any cost covered by

Medicaid and not Medicare. Such costs include covered nursing facility services referenced in Attachment 3.1-A and 3.1-B of the approved State Plan.

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To project rate-year costs, the total historical cost (with the exception of capital costs) are trended to the rate year using the Medicare inflation factors. The projected rate year costs are then divided by projected patient days to determine the facility's interim per diem rate.

Reconciling Adjustments

Using actual audited cost and patient data, the Department of Health makes reconciling payment adjustments so as to cover actual allowable facility costs in accordance with the provisions of HHA 15-1. All such reconciling adjustments must be performed within 2 years after the end of the rate year.

Nursing Reform Requirements

The reconciled facility payments take into account the costs related to the nursing reforms of OBRA 1987 and 1990. Payment rates of NFs take into account costs resulting from complying with subsections (b)(other than paragraph (3)(f)), (c) and (d) of section 1819 of the Social Security Act. Specifically, the nursing facility rates cover all general cost categories including: continuing education for nurse aides, nurse staffing requirements, other staffing requirements (e.g. dietician, pharmacy, dental, medical record, activities personnel, social worker), resident assessment, plans for care, resident personal funds, residents' rights, and the psychosocial well being of residents.*

Out of State Payments

In order to meet the requirements of 42 CFR 431.52, the Virgin Islands will utilize the payment rates in effect in the state where the services will be rendered.

Rate Documentation

The Department of Health makes available to all interested parties the back-up documentation used to set rates for NFs. Such Documentation may be obtained by writing to.....

Bureau of Health Insurance and
Medical Assistance
210 - 3A ALTONA, Suite 302
St. Thomas, Virgin Islands 00802

- * The costs for initial nurse aide training and abuse registry are administrative costs and not 4.19-0 costs.

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